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April 5, 2007

BY E-MAIL

Michael D. Sheehy
Deputy Director
Delaware Public Service Commission
861 Silver Lake Blvd.
Cannon Bldg., Suite 100
Dover, DE 19904

Re: In the Matter of Integrated Resource Planning for the Provision of Standard Offer Supply Service by the Delmarva Power & Light Company Under 26 Del. C. Section 1007(c) & (d): Review and Approval of the Request for Proposals for the Construction of New Generation Resources Under 26 Del. C. Section 1007(d), PSC Docket No 06-241

Dear Michael:

As you know, NRG Energy is a participant in the above-referenced docket, and I am writing you today to point out what NRG views as an inconsistency between what Conectiv Energy, Inc. ("Conectiv") represented to the Delaware Public Service Commission (the "Commission") and the public regarding the release of redacted confidential material in its proposal, and what is currently available to the general public.

We note that on at least three separate occasions, starting on March 19, Conectiv has publicly indicated that it was withdrawing its objection to release of confidential or proprietary information contained in its proposal.

1. In its March 19, 2007 letter to Commission Chair Arnetta McCrae, Conectiv stated that it was "voluntarily withdrawing its objection to release of any and all proprietary information contained within its original proposal", with the hope that release of the "entire un-redacted version of [its] proposal" would "make the public aware of the numerous beneficial components" of its bid. See, March 19, 2007 Letter from I. David Rosenstein to the Commission.
2. At the hearing on March 20, 2007, Mr. Rosenstein testified that Conectiv was "very concerned with what [they] saw as a misperception of what [their] proposal was". See March 20, 2007 Commission Meeting Hearing Tr. At P. 1393 ¶¶5-9. Conectiv weighed the harm resulting from this misperception against the harm of release of "a

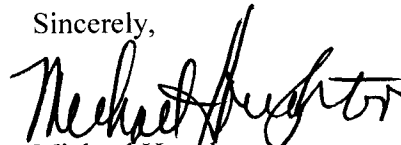
lot of the information” they felt should be protected, and voluntarily agreed to “release [their] proposal without any additional redactions.” *Id.* at P. 1393, ¶¶9-12.

3. Finally, in a March 20, 2007 article that appeared in The News Journal, Conectiv’s CEO, Dave Velazquez was quoted as stating that it was “important to correct any misconceptions about our proposal and to reinforce why the state consultant awarded [Conectiv] the highest score of any in [the RFP] process.” Jeff Montgomery, Legislator says power plant might derail, The News Journal, March 20, 2007. As a result, Conectiv authorized the Commission to release the original, unredacted version of its proposal. *Id.*

Yet, pursuant to the Commission website – which I understand based on a conversation Geoff Sawyer of my office had with you represents Conectiv’s final clean up-to-date public bid proposal -- the DPL RFP Proposal Questions and Attachments are heavily redacted. The information that remains redacted appears to be consistent with the information in which the public has shown immense concern, during this entire process and in particular during the public hearings, including, but not limited to, estimated maximum annual dispatch (capacity factor) based on air permit requirements (page 8 of 27, “**DPL RFP PROPOSAL QUESTIONS – CESI RESPONSE**”); critical information regarding the proposed cooling tower make-up and water needs (page 10 of 27, “**DPL RFP PROPOSAL QUESTIONS – CESI RESPONSE**”); estimated data regarding increases in river water temperature as a result of water discharged during cooling (page 11 of 27, “**DPL RFP PROPOSAL QUESTIONS – CESI RESPONSE**”); and the estimated environmental permitting schedule (Attachment V – Question 14 – Permit Schedule, “**DPL RFP PROPOSAL QUESTIONS – CESI RESPONSE**”) to note a few. In fact, the Commission, based on Staff’s recommendation, ordered similar information from NRG’s bid released so that “participants in this proceeding who are interested in providing written comments to the Commission will have an opportunity to include such material in their submissions.” Commission Order No. 7148 (March 20, 2007).

Given that the due date for the public to submit comments on the IC’s Evaluation Report is tomorrow, we felt it necessary to note our concerns for the record.

Thank you, and please do not hesitate to contact me with any questions or concerns.

Sincerely,

Michael Houghton

MH/fv

cc: E-mail Service List in PSC Docket 06-241